

# Media release

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## SPECIAL VARIATION APPLICATION RECEIVED FROM LISMORE CITY COUNCIL

Lismore City Council has applied to the Independent Pricing and Regulatory Tribunal (IPART) to increase its general revenue above the rate peg in 2020-21.

Of the three councils that initially notified IPART that they intended to apply for a special variation, Bega Valley Shire Council and Georges River Council resolved not to proceed with their applications.

For NSW councils, the total annual increase to the amount of income that a council can raise from certain rates and charges is limited by the rate peg, which is determined on an annual basis. IPART has set the rate peg for 2020-21 at 2.6%, down from 2.7% in 2019-20, primarily due to increases in labour and construction costs, offset by falling telecommunications, IT and energy costs.

Councils requiring additional revenue are able to apply to IPART for either permanent or temporary single year or multi-year increases above the rate peg, which are known as special variations.

Lismore City Council's application requests a 24% cumulative increase over four years in total permissible general income, to be retained permanently in the rate base, to improve financial sustainability, reduce infrastructure backlog, and deliver economic development objectives.

IPART Chair Dr Paul Paterson said IPART will make a determination on the application by mid-May and if successful, Lismore City Council would be able to apply any approved increase for the 2020-21 year, if it chose to do so.

"We will assess the application against the criteria established by the Office of Local Government in its guidelines for special variations, which require councils to demonstrate the need for and the purpose of the additional revenue, evidence of community consultation and an assessment of the impact on affected ratepayers," Dr Paterson said.

"As councils must engage with the community when assessing options for a special variation, we expect Lismore City Council will have already sought and considered the community's views on the proposed special variation."

The Office of Local Government's guidelines aim to ensure that special rate variations are appropriately planned and incorporated into council delivery strategies.

Lismore City Council's application can be found on the IPART website [www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au). The IPART website also has information about the assessment criteria for special variations, and how to lodge a submission.

"Community members wishing to make submissions directly to IPART can do so until 4 March 2020, and we will consider these submissions as part of our determination."

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More information is available at [ipart.nsw.gov.au](http://ipart.nsw.gov.au)